

Why Long-Term Care Planning is Important



When you reach a certain age, it's only natural to worry about the future. You may be asking yourself, "What will happen if I can't take care of myself anymore?" or "What are my chances of needing long term care?"

It's hard to think about getting old and not being able to take care of yourself, but the truth of the matter is that 70% of those age 65 and older will need some form of long term care. As life expectancy continues to grow as a result of medical and technological advancements, more and more Americans should start planning now for an unexpected chronic illness, disability, or simply growing older.

What is the likelihood of needing Long Term Care?

The risks of you needing long term care services are high, but how do they stack up against many other unexpected events?

- Fire damaging your home 1 out of 3,000 [.03%]
- Automobile accidents 1 out of 63 [1.6%]
- Being Called Down on The Price is Right 1 out of 36 [2.8%]
- 20yr olds that will suffer short term disability before they retire 1 out of 4 [25%]
- Needing long term care assistance in your lifetime 1 out of 2 [50%]

However, it is important to remember that the need for long term care can happen to anyone, no matter how old they are or what their health is like. It is important to be prepared for the possibility that you may need long term care services at some point in your life.

Common signs you may be at risk of needing LTC

Many people mistakenly believe that only the elderly need long term care. While the need for long term care can arise at any age, there are certain risk factors that may make it more likely that someone will require this type of care. Family history is one important factor to consider. If your parents or grandparents needed long term care, you may be more likely to need it as well. Age and gender are also significant risk factors. Women tend to live longer than men, and the older you are, the greater your odds of needing long term care. Additionally, poor lifestyle choices can raise your risk for a number of chronic conditions and severe chronic conditions increase your chances of needing long term care.

While no one likes to think about the possibility of needing long term care, it's important to be aware of the factors that can increase your risk. That way, you can make informed decisions about your health and plan for the future accordingly.

Personal Story

Ida knew the time had come. Her husband, George, had been in declining health for several years as he battled Alzheimer's. Ida was finding it increasingly difficult to manage his needs even with the help of their adult children. George required round-the-clock care.

Now in their early 70s, Ida and George had planned for this day for almost two decades. When George was first diagnosed, the family was prepared to coordinate their schedules to help him. As his condition progressed and it became clear that George needed the help of home health aides, the decision years ago to purchase long-term care insurance was an enormous relief.

*At the time they started planning, the annual cost for an assisted living facility was \$20,000. Now, the average cost for that same facility is nearly **\$54,000** per year, but George's cognitive care will cost more. Further, the cost is projected to grow at approximately 5 percent per year.*

George and Ida purchased a long-term care insurance policy with inflation protection at a time when they were younger and healthier. The impact that their benefit dollars will have on their overall retirement savings is significant. The result of planning when they were still healthy meant that they were able to qualify for meaningful coverage at a rate they could afford over the long term. It was a decision that gave them access to a greater pool of benefit dollars than if they had tried to self-fund their care.

For this couple, their long-term care insurance plan has brought their family tremendous peace of mind at a sensitive time. Ida is especially grateful for the burden it takes off their adult children. Planning for care well before you need it can have a profound impact on overall cost, your care options, and your family's peace of mind.

How do you plan for the potential need for long term care?

First, think about what type of care you might need and where you would like to receive it. Home care and community-based services can help you stay in your own home, while nursing home care can provide a more structured environment. There are also assisted living facilities and continuing care retirement communities that offer a range of services, from independent living to skilled nursing care.

The best time to plan for long term care is long before you need it. That way, you're more likely to have choices about how and where you receive care.

Planning for long term care means:

- Will your current location be able to meet your changing demands as you grow older?
- Taking [care](#) of yourself so that you can improve your chances for a long and healthy life.
- Knowing the long term care [costs](#) and finding solutions to cover them
- By creating legal instructions and a financial [power of attorney](#), you can make sure that you are in charge of decisions about your care and finances.

Protect your future today

When it comes to your home, your health, and your finances, you want to be in the driver's seat. That's why it's so important to plan now for retirement — and any future care you may need. Planning for long-term care is one of the smartest decisions you can make, and it's a gift for your family too.

Consider these possible benefits:

- Maintain your financial independence
- Preserve the wealth you've worked so hard for over your lifetime
- Avoid burdening family and friends with your care
- Protect your ability to remain independent
- Have access to quality care
- Have more choices down the road
- Directing the decisions affecting you
- Feeling less overwhelmed in the future
- Being ready to help your family and friends

For more information:

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